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State Affairs

*Betty Murray*  
Chief Clerk of the House

1989 MAR 17 PM 2:05

HOUSE OF REPRESENTATIVES

By

*Canizaro*

H. B. No. 1891

A BILL TO BE ENTITLED

AN ACT

relating to the creation, powers, and duties of the Real Estate  
Appraisal Board; providing penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1. SCOPE OF REGULATION

SECTION 1. SHORT TITLE. This Act may be cited as the State  
Certified Real Estate Appraisers Law.

SECTION 2. SEVERABILITY CLAUSE. If any provision of this  
Act or its application to any person or in any circumstance is  
declared by a court of competent jurisdiction to be invalid or  
unenforceable, provisions constituting the remainder of the Act and  
the application of those provisions to other persons and in other  
circumstances shall not be affected.

SECTION 3. DEFINITIONS. In this Act:

(a) The terms "real estate appraisal" or "appraisal" mean an  
analysis, opinion or conclusion relating to the nature, quality,  
value, or utility of specified interests in, or aspects of,  
identified real estate, for or in expectation of compensation.

(b) A "state certified real estate appraiser" means a person  
who holds a current, valid certificate issued to him or her under  
the provision of this Act. A state certified real estate appraiser  
may designate or identify appraisals rendered by him or her as  
"certified appraisals."

(c) "Commission" means the Texas Real Estate Commission.

1           (d) "Administrator" means the administrator of the Texas  
2 Real Estate Commission.

3           (e) "Board" means the Real Estate Appraisal Board  
4 established pursuant to the provisions of this Act.

5           (f) "Real estate" means an identified parcel or tract of  
6 land, including improvements, if any.

7           (g) "Real property" means one or more defined interests in a  
8 parcel of real estate, whether an unencumbered fee or a lesser  
9 estate.

10          (h) "Appraisal assignment" means, an engagement for which an  
11 appraiser is employed or retained to act, or would be perceived by  
12 third parties or the public as acting, as a disinterested third  
13 party in rendering an unbiased analysis, opinion, or conclusion  
14 relating to the nature, quality, value, or utility of specified  
15 interests in, or aspects of, identified real estate.

16          (i) "Specialized appraisal services" means appraisal  
17 services which do not fall within the meaning of "appraisal  
18 assignment" in Subdivision (h), which services relate to the  
19 employer's or client's individual needs or investment objectives  
20 and include specialized marketing, financing, and feasibility  
21 studies as well as analyses, opinions, and conclusions given in  
22 connection with activities such as real estate brokerage, mortgage  
23 banking, real estate counseling, and real estate tax counseling. A  
24 state certified real estate appraiser who enters into an agreement  
25 to perform these legitimate business activities may be paid a fixed  
26 fee or, subject to compliance with conditions prescribed by the  
27 board, a fee that is contingent on the results achieved by the

1 appraisal service.

2 (j) "Appraisal report" means any communication, written or  
3 oral, of an analysis, opinion, or conclusion relating to the  
4 nature, quality, value, or utility of specified interest in, or  
5 aspects of, identified real estate. Under this definition the  
6 purpose of an appraisal is immaterial; therefore valuation reports,  
7 real estate counseling reports, real estate tax counseling reports,  
8 real estate offering memoranda, mortgage banking offers, highest  
9 and best use studies, market demand and economic feasibility  
10 studies, and all other reports communicating an appraisal analysis,  
11 opinion, or conclusion are appraisal reports, regardless of title.

12 SECTION 4. A state certified real estate appraiser must  
13 comply with the standards provided in this Act for the development  
14 and communication of real estate appraisals for any appraisals of  
15 real estate located in this state.

16 SECTION 5. This Act does not preclude a person who is not  
17 certified as a state certified real estate appraiser from  
18 appraising real estate for compensation. No person, other than a  
19 state certified real estate appraiser, shall assume or use that  
20 title or any title, designation, or abbreviation likely to create  
21 the impression of certification as a real estate appraiser by this  
22 state. A person who is not certified pursuant to this Act shall  
23 not describe or refer to any appraisal or other evaluation of real  
24 estate located in this state by the term "certified".

25 ARTICLE 2. REAL ESTATE APPRAISAL BOARD

26 SECTION 1. There is hereby created within the Texas Real  
27 Estate Commission the Real Estate Appraisal Board which shall

1 consist of eleven members, three of whom shall be public members  
2 and eight of whom shall be real estate appraisers.

3 The governor shall appoint four members who are real estate  
4 appraisers and one public member. The lieutenant governor and the  
5 speaker of the house shall each appoint one public member and two  
6 real estate appraiser members, with senate confirmation.

7 SECTION 2. The term of each member shall be three years;  
8 except that, of the members first appointed, those appointed by the  
9 lieutenant governor shall serve two years and the members appointed  
10 by the speaker of the house shall serve for one year.

11 SECTION 3. Upon expiration of their terms, members of the  
12 board shall continue to hold office until the appointment and  
13 qualification of their successors. No persons shall serve as a  
14 member of the board for more than two consecutive terms. The  
15 appointing authority may remove a member for cause.

16 SECTION 4. Six of the real estate appraiser members first  
17 appointed to the board shall be members in good standing of an  
18 organization which is a charter member of the Appraisal Foundation,  
19 plus two members who may or may not be members of an organization  
20 which is a charter member of the Appraisal Foundation, plus three  
21 non-appraiser public members, two of whom shall not be licentiates  
22 of the commission.

23 SECTION 5. The real estate appraiser members appointed after  
24 January 1, 1990, shall be state certified real estate appraisers  
25 actively engaged in the practice of real estate appraising. At  
26 least six of whom shall be members of an organization that is a  
27 charter member of the Appraisal Foundation.

1           SECTION 6. The board shall have the right to employ a person  
2 who shall act as executive officer to the board and who shall  
3 exercise the powers and perform the duties delegated by the board.

4           SECTION 7. The board shall meet not less frequently than  
5 once each calendar quarter to conduct its business. Places of  
6 future meetings shall be decided by the vote of members at  
7 meetings. The chairperson or executive officer shall give written  
8 notice to each member of the time and place of each meeting of the  
9 board at least 10 days before the scheduled date of the meetings.

10          SECTION 8. The members of the board shall elect a  
11 chairperson from among the members to preside at board meetings.  
12 The chairperson shall also serve as an ex-officio member of the  
13 Texas Real Estate Commission.

14          SECTION 9. A quorum of the board shall be seven members.

15          SECTION 10. Each member of the board shall be entitled to a  
16 per diem allowance equal to that established for commissioners of  
17 the Texas Real Estate Commission for each meeting of the board at  
18 which the member is present and, for each day or substantial part  
19 thereof actually spent in the conduct of the business of the board.  
20 Each member of the board shall be entitled to reimbursement of  
21 travel expenses necessarily incurred in attending meetings of the  
22 board and in conducting the business of the board other than at  
23 meetings of the board.

24          SECTION 11. The board shall adopt rules and regulations in  
25 aid or in furtherance of this Act.

26          SECTION 12. The board shall have the following powers and  
27 duties:

1           (a) to establish educational programs and recommend research  
2 projects related to the appraisal of real estate;

3           (b) to establish the administrative procedures for  
4 processing applications and issuing certificates to state certified  
5 real estate appraisers and for disciplinary proceedings pursuant to  
6 the provisions of this Act;

7           (c) to receive and review applications and to adopt the  
8 examination specifications of the Appraisal Foundation for each  
9 category of state certified real estate appraiser, administer and  
10 grade exams promulgated by the Appraisal Foundation;

11           (d) to further define by regulation and with respect to each  
12 category of state certified real estate appraisers the type of  
13 educational experience, appraisal experience, and equivalent  
14 experience that will meet the statutory requirements of this Act;

15           (e) to further define by regulation and with respect to each  
16 category of state certified real estate appraiser, the continuing  
17 education requirements for the renewal of certification that will  
18 meet the statutory requirements provided in this Act;

19           (f) to adopt regulations explaining and interpreting USPAP;

20           (g) to perform such other functions and duties as may be  
21 necessary in carrying out the provisions of this Act.

22           SECTION 13. The board shall maintain a registry of the names  
23 and addresses of people certified under this Act. The board shall  
24 retain these records and all application materials submitted to it.

25           SECTION 14. The board shall file with the commission an  
26 annual report of its activities, including a complete statement of  
27 the receipts and disbursements of the board.

1 ARTICLE 3. REVENUE

2 SECTION 1. The amount of the fees required by this Act is  
3 that amount fixed by the following schedule.

4 (a) The application fee for certification shall not exceed  
5 \$300.

6 (b) The examination fee shall not exceed \$200.

7 (c) The fee for renewal of certification shall not exceed  
8 \$150.

9 SECTION 2. (a) The board shall report each month through  
10 the commission to the controller the amount and source of all  
11 revenue received pursuant to this Act and shall pay the entire  
12 amount thereof into the State Treasury for credit to the State  
13 Certified Real Estate Appraisers Fund which is hereby established  
14 and from which fund all expenses of carrying out the provisions of  
15 this Act shall be defrayed.

16 (b) All monies paid into the Certified Real Estate  
17 Appraisers Fund pursuant to Subdivision (a) are hereby continuously  
18 appropriated to the board for the purposes of this Act.

19 ARTICLE 4. CERTIFICATION PROCESS

20 SECTION 1. (a) Application for examinations, original  
21 certification, and renewal certifications made pursuant to this Act  
22 shall be made in writing to the board on forms provided by the  
23 board.

24 (b) Appropriate fees, as fixed by the board pursuant to  
25 Article 3, must accompany all applications for examination,  
26 original certification and renewal certification.

27 (c) At the time of filing an application for certification,

1 each applicant shall sign a pledge to comply with the standards set  
2 forth in this Act and state that he or she understands the types of  
3 misconduct for which disciplinary proceedings may be initiated  
4 against a state certified real estate appraiser, as set forth in  
5 this Act.

6 SECTION 2. There shall be two classes of certification for  
7 certified real estate appraisers. One class shall consist of those  
8 persons applying for certification relating solely to the appraisal  
9 of residential real property of one to four units. The other class  
10 of certification shall consist of those persons applying for the  
11 general certification relating to the appraisal of all types of  
12 real property. The application for examination, original  
13 certification and renewal certification shall specify the  
14 classification of certification being applied for.

15 SECTION 3. An original certification as a state certified  
16 real estate appraiser shall not be issued to any person who has not  
17 demonstrated through a written examination process administered by  
18 the board that he or she possesses the following:

19 (a) Appropriate knowledge of technical terms commonly used  
20 in or related to real estate appraising, appraisal report writing,  
21 and economic concepts applicable to real estate.

22 (b) Basic understanding of real estate law.

23 (c) Adequate knowledge of theories of market analysis,  
24 depreciation, cost estimating, methods of capitalization, and the  
25 mathematics of real estate appraisal.

26 (d) Understanding of the principles of land economics, real  
27 estate appraisal processes, and of problems likely to be



1 encountered in the gathering, interpreting, and processing of data  
2 in carrying out appraisal disciplines.

3 (e) Understanding of the standards for the development and  
4 communication of real estate appraisals as provided in this Act.

5 (f) Understanding of the types of misconduct for which  
6 disciplinary proceedings may be initiated against a state certified  
7 real estate appraiser, as set forth in this Act.

8 SECTION 4. An applicant who has failed an examination for  
9 state certified real estate appraiser may apply for reexamination  
10 by submitting an application with the appropriate examination fee  
11 within 90 days after the date of having last taken and failed the  
12 examination. The reexamination must be taken by the applicant  
13 within one year after submitting the application and fee for  
14 reexamination.

15 SECTION 5. (a) As a prerequisite to taking the examination  
16 for the general certification relating to the appraisal of all  
17 types of real property, an applicant shall (1) be a licensed real  
18 estate broker in the State of Texas (2) present evidence  
19 satisfactory to the board that he or she possesses the equivalent  
20 of three years experience in non-residential real property  
21 appraisal, acquired within a period of five years immediately  
22 preceding the filing of the application for certification. For  
23 purposes of this section, one year of real property appraisal  
24 experience is defined as a minimum of 1,440 hours actively engaged  
25 in developing and communicating appraisals. Such experience must  
26 be supported by adequate written reports or file memoranda; and  
27 either

1           (i) has a college degree; or  
2           (ii) has successfully completed not less than 150  
3 classroom hours in subjects related to real estate appraisal as  
4 defined in Article 4, Section 3.

5           (iii) For persons applying for certification within  
6 four years of the effective date of this Act, has demonstrated such  
7 equivalent experience in real estate appraisal activities as may be  
8 determined by the board to be equivalent to (a)(2) above.

9           (iv) All applicants must have received credit for 15  
10 classroom hours related to the study of Standards of Professional  
11 Practice and Code of Ethics as related to the profession of real  
12 estate appraisal.

13           (b) As a prerequisite to taking the examination for  
14 certification relating solely to the appraisal of residential real  
15 property of one to four units, an applicant shall (1) be a  
16 licensed real estate broker in the State of Texas (2) present  
17 evidence satisfactory to the board that he or she possesses the  
18 equivalent of two years experience in real property appraisal,  
19 acquired within a period of five years immediately preceding the  
20 filing of the application for certification; and either

21           (i) has a college degree; or  
22           (ii) has successfully completed not less than 80  
23 classroom hours in subjects related to real estate appraisal as  
24 defined in Article 4, Section 3.

25           (iii) For persons applying for certification within 4  
26 years from the effective date of this Act, has demonstrated such  
27 equivalent experience in real estate appraisal or related

1 activities, as may be determined by the board to be equivalent to  
2 (b)(2) above.

3 (iv) All applicants must have received credit for 15  
4 classroom hours related to the study of Standards of Professional  
5 Practice and Code of Ethics as related to the profession of real  
6 estate appraising.

7 (c) The Real Estate Appraisal Board shall prescribe, define,  
8 and approve the courses intended to satisfy the requirements of  
9 Article 4, Section 3.

10 (d) Each applicant for certification shall furnish under  
11 oath a detailed list on a form which may be prescribed by the board  
12 the real estate appraisal assignments for each year for which  
13 experience is claimed by the applicant. Upon request, the  
14 applicant shall furnish to the board for examination, copies of  
15 appraisal reports and/or file memoranda which the applicant has  
16 prepared in the course of his or her appraisal practices.

17 SECTION 6. It is unlawful for any person to practice any  
18 deception or fraud with respect to his or her identity in  
19 connection with an application for examination or in the taking of  
20 an examination for certification as a state certified real estate  
21 appraiser.

22 SECTION 7. The board may, in accordance with the provisions  
23 of this Act relating to hearings, deny the issuance of a  
24 certificate as a state certified real estate appraiser to an  
25 applicant on any of the grounds enumerated in Article 6.

26 SECTION 8. The term of the certificate issued under the  
27 authority of this Act shall be two years from the date of issuance.

1 The expiration date of the certificate shall appear on the  
2 certificate and no other notice of its expiration need be given to  
3 its holder.

4 SECTION 9. (a) Every applicant for certification under this  
5 Act who is not a resident of this state shall submit, with the  
6 application for certification, an irrevocable consent that service  
7 of process upon him or her may be made by delivery of the process  
8 to the Secretary of State if the plaintiff in an action against the  
9 applicant in a court of this state, arising out of the applicant's  
10 activities as a state certified real estate appraiser, cannot, in  
11 the exercise of due diligence, effect personal service upon the  
12 applicant.

13 (b) A nonresident of this state who has complied with the  
14 provisions of Subdivision (a) may obtain a certificate as a state  
15 certified real estate appraiser by conforming to all of the  
16 provisions of this Act relating to state certified real estate  
17 appraisers.

18 SECTION 10. The board shall issue a certificate as a state  
19 certified real estate appraiser to a holder of a certificate issued  
20 by another state, upon a showing that:

21 (a) the applicant passed the examination, determined by the  
22 board to be equivalent to the Texas examination, required for  
23 issuance of his or her certificate with grades that would have been  
24 passing grades at the time in this state; and

25 (b) if the applicant is applying for the general  
26 certification he or she must meet the requirements of Section 5,  
27 Part (a) or if the applicant is applying for certification relating

1 solely to the appraisal of residential real property of one to four  
2 units he or she must meet the requirements of Section 5, Part (b).

3 SECTION 11. To obtain a renewal certificate as a state  
4 certified real estate appraiser, the holder of a current, valid  
5 certificate shall make application and pay the prescribed fee to  
6 the board not earlier than 120 days nor later than 30 days prior to  
7 the expiration date of the certificate then held. With the  
8 application for renewal, the state certified real estate appraiser  
9 shall present evidence in the form prescribed by the board of  
10 having completed the continuing education requirements for renewal  
11 specified in Article 5.

12 If the board determines that an applicant has failed to meet  
13 the requirements for renewal of certification through mistake,  
14 misunderstanding, or circumstances beyond the control of the  
15 applicant, the board may extend the term of the certificate for a  
16 period not to exceed six months, upon payment by the applicant of a  
17 prescribed fee for the extension.

18 If the applicant satisfies the requirements for renewal  
19 during the extended term of certification, the beginning date of  
20 the new renewal certificate shall be the day following the  
21 expiration of the certificate previously held by the applicant.

22 SECTION 12. If a person fails to renew a certificate as a  
23 state certified real estate appraiser prior to its expiration or  
24 within a period of extension granted by the board pursuant to  
25 Section 10 above, the person may obtain a renewal certificate by  
26 satisfying all of the requirements for renewal and by the payment  
27 of a late renewal fee in an amount equal to 1-1/3 times the renewal

1 fee in effect at the time the application is made for late renewal  
2 of the certificate.

3 SECTION 13. No certificate shall be issued under the  
4 provision of this Act to a corporation, partnership, firm or group.

5 Nothing herein shall preclude a state certified real estate  
6 appraiser from rendering appraisals for or on behalf of a  
7 corporation, partnership or group practice, provided that the  
8 appraisal report is prepared by, or under the immediate direction  
9 of, the state certified real estate appraiser and is signed by such  
10 state certified real estate appraiser.

11 Furthermore, nothing herein shall preclude a non-certified  
12 appraiser from co-signing an appraisal report with a certified  
13 appraiser, so long as the appropriate provisions of this Act and  
14 the Texas Real Estate License Act are complied with.

15 SECTION 14. Each state certified real estate appraiser shall  
16 advise the board of the address of his or her principal place of  
17 business and all other addresses at which he or she is currently  
18 engaged in the business of preparing real property appraisal  
19 reports.

20 Whenever a state certified real estate appraiser changes a  
21 place of business, he or she shall amend the certificate issued by  
22 the board to reflect the change and shall immediately give written  
23 notification of the change to the board.

24 Every state certified real estate appraiser shall notify the  
25 board of his or her current residence address. Residence addresses  
26 on file with the board are exempt from disclosure as public  
27 records.

1           SECTION 15. If the board is satisfied that the public  
2 interest is not likely to be harmed, the board may issue a  
3 restricted certification as a state certified real estate appraiser  
4 to an applicant for certification who has otherwise satisfied the  
5 requirements for certification, but against whom (a) grounds exist  
6 to deny certification under Section 7 above, or (b) whose  
7 certification has been revoked pursuant to Article 6.

8           SECTION 16. The board may restrict the certification of a  
9 state certified real estate appraiser that is issued pursuant to  
10 Section 15 above in any of the following respects:

11           (a) The length of term of certification.

12           (b) The type of appraisals for which the person may hold  
13 himself or herself out to be a state certified real estate  
14 appraiser.

15           (c) The conditions to be met as prerequisites to the  
16 issuance of a restricted certification include but are not limited  
17 to the following:

18                   (i) passing of the examination for certification;

19                   (ii) completion of prescribed continuing education  
20 courses for state certified real estate appraisers; and

21                   (iii) the posting and maintaining in effect of a  
22 surety bond in such form and condition as the board may require for  
23 the protection of persons for whom the restricted certificate  
24 holder may perform acts for which certification as a state  
25 certified real estate appraiser is required.

26           (d) Persons or classes of persons with whom the certificate  
27 holder may not associate under the name and style of a state

1 certified real estate appraiser.

2 (e) Other conditions to be observed by the restricted  
3 certificate holder in engaging in business under authority of the  
4 certificate.

5 SECTION 17. A restricted certificate issued pursuant to  
6 Section 15 above does not include a right of renewal of the  
7 certificate nor does it confer any property right in the privileges  
8 which it authorizes the holder to exercise.

9 The board may suspend without holding a hearing, any or all  
10 of the privileges exercisable by the holder of a restricted  
11 certificate.

12 SECTION 18. A certificate issued under authority of this Act  
13 shall bear the signatures or facsimile signatures of the members of  
14 the board and a certificate number assigned by the board.

15 Each state certified real estate appraiser shall place the  
16 certificate number adjacent to or immediately below the designation  
17 "Texas Certified Real Estate Appraiser" or "Texas Certified  
18 Residential Real Estate Appraiser" when used in an appraisal report  
19 or in a contract or other instrument used by the certificate holder  
20 in conducting real property appraisal activities.

21 SECTION 19. The term "Texas Certified Real Estate Appraiser"  
22 or "Texas Certified Residential Real Estate Appraiser" may only be  
23 used to refer to individuals who hold the certificate and may not  
24 be used following or immediately in connection with the name or  
25 signature of a firm, partnership, corporation, or group; or in such  
26 manner that it might be interpreted as referring to a firm,  
27 partnership, corporation, group, or anyone other than an individual



1 holder of the certificate.

2 SECTION 20. The board may require as a prerequisite to the  
3 granting of an application for reinstatement of a revoked  
4 certificate that the applicant successfully complete the written  
5 examination process referred to in Section 3 of this Article.

6 ARTICLE 5. CONTINUING EDUCATION

7 SECTION 1. (a) As a prerequisite to renewal of  
8 certification, a state certified real estate appraiser shall  
9 present evidence satisfactory to the board of having met the  
10 continuing education requirements of this Article.

11 (b) The basic continuing education requirements for renewal  
12 of certification shall be the completion by the applicant, during  
13 the immediately preceding term of certification, of not less than  
14 30 classroom hours of instruction in courses which have received  
15 the approval of the board.

16 (c) In lieu of meeting the requirements of Subdivision (b),  
17 an applicant for recertification may satisfy all or part of the  
18 requirements of this Article by presenting evidence of the  
19 following:

20 (i) completion of courses of study determined by the  
21 board to be equivalent, for continuing education purposes, to  
22 courses approved by the board pursuant to Subdivision (b);

23 (ii) participation other than as a student in  
24 educational processes and programs in real property appraisal  
25 theory, practices or techniques, including, but not necessarily  
26 limited to, teaching, program development and preparation of  
27 textbooks, monographs, articles, and other instructional materials.

1           (d) As a prerequisite for every third certification renewal,  
2 the applicant shall attend a Professional Standards and Code of  
3 Ethics course and pass the examination. The course and examination  
4 shall be developed by the board. This course shall include a  
5 minimum of 15 hours of instruction plus the examination.  
6 Furthermore, the course shall relate to the applicant's  
7 understanding of the Uniform Standards of Appraisal Practice  
8 (USPAP).

9           SECTION 2. (a) The board shall adopt regulations for  
10 implementation of the provisions of this Article to the end of  
11 assuring that persons renewing their certifications as state  
12 certified real estate appraisers have current knowledge of real  
13 property appraisal theories, practices, and techniques which will  
14 provide a high degree of service and protection to those members of  
15 the public with whom they deal in a professional relationship under  
16 authority of the certification. The regulation shall prescribe the  
17 following:

18               (i) policies and procedures for obtaining board  
19 approval of courses of instruction pursuant to Subdivision (b) of  
20 Section 1 above;

21               (ii) standards, policies, and procedures to be applied  
22 by the board in evaluating applicant's claims of equivalency in  
23 accordance with Subdivision (c) of Section 1 above;

24               (iii) standards, monitoring methods, and systems for  
25 recording attendance to be employed by course sponsors as a  
26 prerequisite to board approval of courses for credit.

27           (b) In adopting regulations pursuant to Subpart (i) of

1 Subsection (a) above, the board shall give favorable consideration  
2 to courses of instruction, seminars and other real property  
3 appraisal education courses or programs previously or hereafter  
4 developed by or under the auspices of charter member organizations  
5 of the Appraisal Foundation and utilized by those organizations for  
6 purposes of designation, certification, or recertification of the  
7 members.

8 (c) No amendment or repeal of a regulation adopted by the  
9 board pursuant to this section shall operate to deprive a state  
10 certified real estate appraiser of credit toward renewal of  
11 certification for any course of instruction completed by the  
12 applicant prior to the amendment or repeal of the regulation which  
13 would have qualified for continuing education credit under the  
14 regulation as it existed prior to the repeal or amendment.

15 SECTION 3. Beginning two years after the effective date of  
16 this bill, a certification as a state certified real estate  
17 appraiser that has been revoked as a result of disciplinary action  
18 by the board shall not be reinstated, nor shall a restricted  
19 certificate be issued to an applicant in connection with a petition  
20 for reinstatement, unless the applicant presents evidence of  
21 completion of the continuing education required by this Article.  
22 This requirement of evidence of continuing education shall not be  
23 imposed upon an applicant for reinstatement who has been required  
24 to successfully complete the examination for state certified real  
25 estate appraiser as a condition to reinstatement of certification.

## 26 ARTICLE 6. DISCIPLINARY PROCEEDINGS

27 SECTION 1. The rights of any holder under a certificate as a

1 state certified real estate appraiser may be revoked or suspended,  
2 or the holder of the certificate may be otherwise disciplined in  
3 accordance with the provisions of this Article relating to  
4 hearings, upon any of the grounds set forth in this Article.

5 SECTION 2. (a) The board may investigate the actions of a  
6 state certified real estate appraiser, and may revoke or suspend  
7 the rights of a certificate holder or otherwise discipline a state  
8 certified real estate appraiser for any of the following acts:

9 (i) Procuring or attempting to procure a certificate  
10 pursuant to this Act by knowingly making a false statement,  
11 submitting false information, refusing to provide complete  
12 information in response to a question in an application for  
13 certification or through any form of fraud or misrepresentation.

14 (ii) Failing to meet the minimum qualifications  
15 established by this Act.

16 (iii) Paying money other than provided for by this Act  
17 to any member or employee of the board to procure a certificate  
18 under this Act.

19 (iv) A conviction, including a conviction based upon a  
20 plea of guilty or nolo contendere, of a crime which is  
21 substantially related to the qualifications, functions, and duties  
22 of a person developing real estate appraisals and communicating  
23 real estate appraisals to others.

24 (v) An act or omission involving dishonesty, fraud, or  
25 misrepresentation with the intent to substantially benefit the  
26 certificate holder or another person or with the intent to  
27 substantially injure another person.

1           (vi) Violation of any of the standards for the  
2 development or communication of real estate appraisals as provided  
3 in this Act.

4           (vii) Failure or refusal without good cause to  
5 exercise reasonable diligence in developing an appraisal, preparing  
6 an appraisal report or communicating an appraisal.

7           (viii) Negligence or incompetence in developing an  
8 appraisal, in preparing an appraisal report, or in communicating an  
9 appraisal.

10           (ix) Willfully disregarding or violating any of the  
11 provisions of this Act or the regulations of the board for the  
12 administration and enforcement of the provision of this Act.

13           (x) Accepting an appraisal assignment when the  
14 employment itself is contingent upon the appraiser reporting a  
15 predetermined analysis or opinion, or where the fee to be paid for  
16 the performance of the appraisal assignment is contingent upon the  
17 opinion, conclusion, or valuation reached, or upon the consequences  
18 resulting from the appraisal assignment.

19           (xi) Disclosing the analysis, opinions, or conclusions  
20 of an appraisal to anyone other than:

21                   (a) The client and those persons specifically  
22 authorized by the client to receive such information;

23                   (b) third parties, when and to the extent that  
24 the certified real estate appraiser is legally required to do so by  
25 statute, ordinance, or order of court or in connection with peer  
26 review by the professional association in which the certified  
27 appraiser holds membership.

1           (xii) Violating any term or condition of a restricted  
2 certificate issued by the board under authority of this Act.

3           (b) An act, omission or crime that is a ground for  
4 disciplinary action under this section shall constitute a basis for  
5 disciplinary action against another license of the state certified  
6 real estate appraiser if the act or omission involved is  
7 substantially related to the qualification, functions or duties  
8 required of a person acting under authority of the other license.

9           SECTION 3. The board may suspend or revoke the certificate  
10 of a state certified real estate appraiser based upon a final civil  
11 judgment against the person on grounds of fraud, misrepresentation  
12 or deceit in the making of an appraisal of real property. In a  
13 disciplinary proceeding based upon the judgment, the state  
14 certified real estate appraiser shall be afforded notice and the  
15 opportunity to present matters in mitigation and extenuation, but  
16 may not collaterally attack the civil judgment.

17           SECTION 4. (a) On the receipt of evidence that a person has  
18 procured the issuance of a certificate as a state certified real  
19 estate appraiser by making a material misstatement of fact or by  
20 willfully failing to disclose information requested in the  
21 application for certification, the board may suspend the  
22 certificate issued to the person without first conducting a  
23 hearing.

24           (b) The authority of the board pursuant to this section to  
25 order the suspension of a certificate shall expire 120 days after  
26 the date of issuance of the certificate, and the suspension itself  
27 shall remain in effect only until the effective date of a decision

1 rendered by the board after a hearing conducted pursuant to this  
2 section and the provisions of this Act relating to hearings.

3 (c) A statement of issues shall be filed and served upon the  
4 respondent with the suspension order. Service may be effected by  
5 certified or registered mail directed to the respondent's current  
6 address of record on file with the board.

7 (d) The respondent shall have 30 days after service of the  
8 suspension order and statement of issues in which to file with the  
9 board a written request for hearing on the statement of issues.  
10 The board shall hold a hearing within 30 days of receiving the  
11 request and issue a decision within 10 days thereafter.

12 (e) A respondent against whom a suspension has been ordered  
13 under authority of this section shall have no property rights in  
14 the certificate suspended by order of the board unless the decision  
15 of the board after hearing is that the respondent is entitled to an  
16 unrestricted certificate as a state certified real estate  
17 appraiser.

18 ARTICLE 7. STANDARDS FOR THE DEVELOPMENT AND COMMUNICATION OF  
19 REAL ESTATE APPRAISALS

20 SECTION 1. A state certified real estate appraiser must  
21 comply with the Uniform Standards of Professional Appraisal  
22 Practice promulgated by the Appraisal Standards Board of the  
23 Appraisal Foundation.

24 ARTICLE 8. MISCELLANEOUS

25 SECTION 1. A state certified real estate appraiser shall  
26 retain for five years, (and at least two years after related  
27 litigation), originals or true copies of contracts engaging the

1 person's services for real property appraisal work, appraisal  
2 reports, and supporting data assembled and formulated by the  
3 appraiser in preparing the appraisal reports. The period of or  
4 retention of the records applicable to each engagement of the  
5 services of the appraiser shall run from the date of the submittal  
6 of the appraisal report to the client. These records shall be made  
7 available by the state certified real estate appraiser for  
8 inspection and copying by the board on reasonable notice to the  
9 appraiser.

10 SECTION 2. (a) Any person who willfully violates or  
11 knowingly participates in the violation of Section 6 of Article 4  
12 of this Act is guilty of a misdemeanor.

13 (b) This section shall not be construed to preclude the  
14 applicability of any other provision of the criminal law of this  
15 state which is otherwise applicable to an act or omission which  
16 violates a provision of this Act.

17 SECTION 3. This Act takes effect September 1, 1989.

18 SECTION 4. EMERGENCY. The importance of this legislation  
19 and the crowded condition of the calendars in both houses create an  
20 emergency and an imperative public necessity that the  
21 constitutional rule requiring bills to be read on three several  
22 days in each house be suspended, and this rule is hereby suspended.



# HOUSE COMMITTEE REPORT

1st Printing

HOUSE OF REPRESENTATIVES  
09 MAY 16 PM 8:44

By Cavazos

H.B. No. 1891

Substitute the following for H.B. No. 1891:

By Hilbert

C.S.H.B. No. 1891

A BILL TO BE ENTITLED

AN ACT

relating to the certification of real estate appraisers.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. The Real Estate License Act (Article 6573a, Vernon's Texas Civil Statutes) is amended by adding Section 22 to read as follows:

Sec. 22. (a) The commission shall certify real estate appraisers in the following two classes:

(1) residential real estate appraisers appraising residential real property having not more than four units; and

(2) general real estate appraisers appraising all types of real property.

(b) An applicant for examination, original certification, or renewal certification shall specify in the application the class of certification sought. To be eligible for certification, an applicant must be a real estate broker licensed in this state and must satisfy all requirements established by the commission for state real estate appraiser certification. Only a person who holds a certificate issued under this section may use the title "state-certified real estate appraiser" or refer to any appraisal or evaluation of real estate located in this state as "certified."

(c) The commission shall adopt rules as necessary for certifications under this section. The commission shall set education and experience requirements, administer or contract for

1 qualifying examinations, and adopt other requirements for  
2 certification or renewal of certification as a state-certified real  
3 estate appraiser as the commission considers appropriate.

4 (d) As a prerequisite to taking the examination for a  
5 general real estate appraiser certificate, an applicant must:

6 (1) be a real estate broker licensed in this state;

7 (2) present evidence satisfactory to the commission  
8 that the applicant possesses the equivalent of three years'  
9 experience in nonresidential real property appraisal, acquired  
10 within the five years preceding the filing of the application for  
11 certification; and

12 (3) either:

13 (A) hold a degree in any field or subject  
14 conferred by an accredited institution of higher education; or

15 (B) have successfully completed at least 150  
16 classroom hours in the subjects related to real estate appraisal  
17 described by Section 7(a) of this Act.

18 (e) As a prerequisite to taking the examination for a  
19 residential real estate appraiser certificate, an applicant must:

20 (1) be a real estate broker licensed in this state;

21 (2) present evidence satisfactory to the commission  
22 that the applicant possesses the equivalent of two years'  
23 experience in real property appraisal, acquired within the five  
24 years preceding the filing of the application for certification;  
25 and

26 (3) either:

27 (A) hold a degree in any field or subject

1 conferred by an accredited institution of higher education; or

2 (B) have successfully completed at least 80  
3 classroom hours in the subjects related to real estate appraisal  
4 described by Section 7(a) of this Act.

5 (f) The experience must be documented by adequate written  
6 reports or file memoranda.

7 (g) Each applicant for certification under this section must  
8 have earned credit for 15 classroom hours related to the study of  
9 standards of professional practice and ethics related to the  
10 profession of real estate appraising.

11 (h) The commission shall prescribe, define, and approve the  
12 courses that satisfy the requirements of Section 7(a) of this Act.

13 (i) Each applicant for certification shall furnish on a form  
14 prescribed by the commission a detailed list of the real estate  
15 appraisal assignments for each year for which experience is claimed  
16 by the applicant. The list must be verified by the applicant. On  
17 request, the applicant shall furnish to the commission for  
18 examination copies of appraisal reports and file memoranda that the  
19 applicant has prepared in the course of the appraisals.

20 (j) The commission by rule shall establish standards of  
21 professional conduct and ethics for certified real estate  
22 appraisers. The standards and rules must meet the minimum  
23 standards generally accepted by the Financial Institutions  
24 Examination Council created under 12 U.S.C. Section 3303.

25 (k) The commission shall set and collect reasonable fees for  
26 services under this section, including an application fee not to  
27 exceed \$300, an examination fee not to exceed \$200, a renewal fee

1 not to exceed \$150, and any other fees as required by law.

2 (1) The Texas Real Estate Appraiser Certification Committee  
3 shall recommend education, experience, and continuing education  
4 requirements for applicants for real estate appraisal certification  
5 and certification renewal, specify the contents of any required  
6 examinations, propose standards for the development or  
7 communication of real estate appraisals by certified appraisers,  
8 propose to the commission a code of professional responsibility for  
9 certified real estate appraisers, recommend other action by the  
10 commission as necessary to provide a high degree of service and  
11 protection to the public in dealings with certified real estate  
12 appraisers, and perform other duties assigned by the commission.  
13 The committee is composed of nine members appointed by the  
14 commission. The members of the committee hold office for staggered  
15 terms of six years, with the terms of three members expiring  
16 February 1 of each odd-numbered year. Appointments to the  
17 committee shall be made without regard to sex, race, color,  
18 religion, age, handicap, or national origin. Each member of the  
19 committee must be a real estate appraiser who is actively engaged  
20 in the practice of real estate appraising. At least eight of the  
21 committee members must be members in good standing of a nationally  
22 recognized real estate appraiser organization, with not more than  
23 one member per appraiser organization represented, that, as of  
24 September 1, 1989, has experience, education, and written  
25 examination requirements for membership and an established code of  
26 professional ethics. Each member of the committee is entitled to  
27 the per diem compensation set by legislative appropriation, and to

1 reimbursement for travel expenses necessarily incurred in attending  
2 meetings of the committee, subject to any applicable limitation on  
3 reimbursement provided by the General Appropriations Act. The  
4 committee shall elect a chairman, vice-chairman, and secretary from  
5 among its members.

6 (m) The commission may investigate the actions of a  
7 state-certified real estate appraiser and, after notice and a  
8 hearing as provided by Section 17 of this Act, may suspend or  
9 revoke a certificate issued under this section for a violation of  
10 this Act or a rule of the commission. The commission shall  
11 authorize the committee to conduct administrative hearings and  
12 recommend the entry of final orders in contested cases regarding  
13 certified appraisers. If the commission revokes a certificate  
14 issued under this section, the person whose certificate is revoked  
15 may not apply to the commission for a new certificate until the  
16 expiration of one year after the date of the revocation.

17 SECTION 2. (a) This Act takes effect September 1, 1989.

18 (b) In making the initial appointments to the Texas Real  
19 Estate Appraiser Certification Committee, the commission shall  
20 designate three members for terms expiring February 1, 1991, three  
21 members for terms expiring February 1, 1993, and three members for  
22 terms expiring February 1, 1995. Each member appointed after July  
23 1, 1991, must hold a certificate issued by the commission under  
24 Section 22, The Real Estate License Act (Article 6573a, Vernon's  
25 Texas Civil Statutes) as added by this Act.

26 SECTION 3. The importance of this legislation and the  
27 crowded condition of the calendars in both houses create an

C.S.H.B. No. 1891

1 emergency and an imperative public necessity that the  
2 constitutional rule requiring bills to be read on three several  
3 days in each house be suspended, and this rule is hereby suspended.

# COMMITTEE REPORT

The Honorable Gib Lewis  
Speaker of the House of Representatives

5-10-89

(date)

Sir:

We, your COMMITTEE ON STATE AFFAIRS,

to whom was referred HB 1891 have had the same under consideration and beg to report  
(measure)  
back with the recommendation that it

( ) do pass, without amendment.

( ) do pass, with amendment(s).

☒ do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.

A fiscal note was requested. ☒ yes ( ) no

An actuarial analysis was requested. ( ) yes ☒ no

An author's fiscal statement was requested. ( ) yes ☒ no

A criminal justice policy impact statement was prepared. ( ) yes ☒ no

A water development policy impact statement was requested. ( ) yes ☒ no

( ) The Committee recommends that this measure be sent to the Committee on Local and Consent Calendars for placement on the ( ) Local, ( ) Consent, or ( ) Resolutions Calendar.

This measure ( ) proposes new law. ☒ amends existing law.

House Sponsor of Senate Measure \_\_\_\_\_

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Laney, Ch.			<input checked="" type="checkbox"/>	
Guerrero, V.C.	<input checked="" type="checkbox"/>			
Tallas, C.B.O.				<input checked="" type="checkbox"/>
Cain				<input checked="" type="checkbox"/>
Gibson	<input checked="" type="checkbox"/>			
Harrison				<input checked="" type="checkbox"/>
Hilbert	<input checked="" type="checkbox"/>			
Hury				<input checked="" type="checkbox"/>
Jones	<input checked="" type="checkbox"/>			
Oakley	<input checked="" type="checkbox"/>			
Perez	<input checked="" type="checkbox"/>			
Saunders	<input checked="" type="checkbox"/>			
Smith, T.				<input checked="" type="checkbox"/>

Total

7 aye

0 nay

1 present, not voting

5 absent

CHAIRMAN

COMMITTEE COORDINATOR

## BILL ANALYSIS

### BACKGROUND:

During the last Congress, the President's Office of Management and Budget (OMB) issued OMB Circular A-129 requiring those Federal agencies under OMB's jurisdiction to use only appraisals which are 1) performed by state licensed or certified appraisers and 2) conform to work product standards promulgated by the Appraisal Institute. Subsequently, additional federal requirements related to real estate appraisers was included in the FSLIC legislation which has passed the U.S. Senate and is expected to pass the U.S. House soon.

This federal legislation provides that after July 1, 1991 each Federal Financial Institutions Regulatory Agency (FFIEC) and Fannie Mae and Freddie Mac would be required to use state certified or state licensed appraisers for each federally related appraisal. (This would include FHA and VA mortgages.)

The states would have the ability under this legislation to establish their own licensing and certification procedures. The criteria for licensing and certification must comply, at a minimum, with the criteria established by the Appraisal Foundation. The states would be responsible for maintaining a registry of licensed and certified appraisers in their state and for providing FFIEC an annual funding fee of \$25 per state licensed/certified appraiser.

Financial institutions or federal agencies or instrumentalities that knowingly accept appraisals not in conformity (with the minimum standards of the Appraisal Foundation) will be subject to a penalty of not more than \$25,000 for the first violations or \$50,000 for subsequent violations.

### PURPOSE:

C.S.H.B 1891 proposes to amend the current Real Estate License Act in order to conform to federal requirements for real estate transactions involving federal agencies, i.e., Fannie Mae and Freddie Mac.

### SECTION BY SECTION ANALYSIS:

#### SECTION 1:

Amend the Real Estate License Act (Article 6573a, Vernon's Texas Civil Statutes) by adding Section 22 to read as follows:

The Texas Real Estate Commission (TREC) shall provide for the certification of real estate appraisers, using its rule-making authority. The two classes of certification--residential and general--are defined. Requires that the application for examination, original certification and renewal certification be specific in classification of certification being sought that only persons certified under this section may refer to themselves as being "certified" or to any appraisal done in this state as being "certified."

The TREC shall provide for the education and experience requirements, the examination process and other requirements for certification or renewal of certification as a state certified real estate appraiser. Establishes the minimum prerequisites for taking the exam for general certification and for residential certification, including being a licensed broker, education and appraisal experience..

The commission shall adopt rules establishing standards of appraisal practices which, at a minimum, must meet federal criteria.

Gives TREC authority to set and collect reasonable fees for administration of state certification of appraiser program and for other fees that may be required (federal).

Creates the Texas Real Estate Appraisal Certification Committee, within the TREC. The Appraiser Committee is responsible for determining education and experience requirements for applications for certification and specifics of certification exam, continuing education requirements for renewal of certification, standards for certified appraisals, and a code of professional responsibility of certified appraisers.

The Texas Real Estate Appraiser Certification Committee membership: 9 members appointed by TREC; staggered terms, with 3 members terms expiring every two years. Members to be appointed without regard to sex, race, creed, religion or national origin, must be real estate appraisers actively engaged in the practice of real estate appraising. At least eight of the committee members must be members in good standing of a nationally recognized real estate appraiser organization, with not more than one member per appraiser organization represented, which entitles each to per diem.



Authorizes TREC to investigate the actions of a certified real estate appraiser and after hearing in accordance with Section 17 of this Act, suspend or revoke a certification for a violation of this Act or rule of the commission. The Appraisal Committee is authorized to conduct administrative hearings and recommend the final orders in cases regarding certified appraisers. If revoked, certification may not be applied for again until one year after revocation.

SECTION 2 Effective date. This Act takes effect on September 1, 1989

SECTION 3 Emergency clause.

#### RULEMAKING AUTHORITY

It is the opinion of the committee that the bill delegates the following rulemaking authority.

SECTION 1: The bill grants rulemaking authority to the Texas Real Estate Commission for the purpose of providing for the certification of real estate appraisers including education and experience requirements, prerequisites for taking the exam, and establishing standards of appraisal practices.

#### Summary of Committee Action

On May 8, 1989, the committee considered HB 1891 in a public hearing pursuant to notice posted in accordance with the Rules of the House. The chair recognized Don Canaday, representing the Texas Association of Realtors, to testify in favor of HB 1891. At that time the measure was left pending.

On May 10, 1989, in a formal meeting called pursuant to an announcement from the floor of the House, the committee voted to report HB1891 to the full House with a complete substitute and with the recommendation it do pass by a record vote of 7 ayes, 0 nays, 1 PNV and 5 members absent.

#### Comparison of Original Substitute

C.S.H.B 1891 differs from the original version in the composition and appointment of the appraiser board, The substitute establishes the Real Estate Appraiser Certification Committee within the T.R.E.C., to be appointed by the Commission, and to be composed of nine appraiser members, at least eight of whom shall be from different (nationally recognized) appraiser organizations.

The committee substitute would authorize the Commission to certify real estate appraisers who meet the qualifications for certification (as required by federal entities) and recommended by the appraiser committee. HB 1891 and CSHB 1891 restrict the use of the term "Certified Appraiser" to persons certified by the Commission, but do not preclude other persons licensed by T.R.E.C. from appraising real estate.

Like the original bill, the substitute does provide for the qualifications, education and experience in appraising needed for certification, but unlike H.B. 1891 the substitute does not reference the specific courses or specific number of hours that constitute one year of experience. (The reference of 1,440 hours has been deleted from C.S.H.B. 1891.)

C.S.H.B. 1891 provides for the same standards of practice required by the Federal government but does not contain any reference to the entity which determines the federal requirements, reviews and monitors systems established by States.

H.B. 1891 contained dual responsibilities for both the Commission and the Appraisal Board. The substitute authorized the Commission, upon the recommendation of the appraiser committee, to establish administrative procedures for certifying appraisers and renewing certifications, to conduct examination, to conduct disciplinary proceedings, to adopt regulations and to perform other functions and duties as are required to administer the bill. These changes eliminated the conflicting and /or overlapping authority of the Commission and the Committee. The administrative changes provided for in the committee substitute reduce the cost of the fiscal note, an estimated \$100,000.

# LEGISLATIVE BUDGET BOARD

Austin, Texas

## FISCAL NOTE

May 7, 1989

TO: Honorable James E. "Pete" Laney, Chair  
Committee on State Affairs  
House of Representatives  
Austin, Texas

In Re: House Bill No. 1891  
By: Cavazos

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on House Bill No. 1891 (relating to the creation, powers, and duties of the Real Estate Appraisal Board) this office has determined the following:

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The bill would create the Real Estate Appraisal Board within the Real Estate Commission. The Real Estate Appraisal Board would be charged with administering the provisions of the bill. The bill would have no fiscal implication to the Real Estate License Fund.

The bill would authorize the Board to certify real estate appraisers who meet the qualifications for certification established by the bill and by the board. The bill would restrict the use of the term "Certified Appraiser" to persons certified by the board but does not preclude other persons from appraising real estate.

The bill would authorize the board to establish educational and continuing educational programs, to establish administrative procedures for certifying appraisers and renewing certifications, to conduct examinations, to conduct disciplinary proceedings, to adopt regulations and to perform other functions and duties as are required to administer the provisions of the bill.

The bill would authorize the collection of fees for applications for certification in an amount not to exceed \$300, examination fees not to exceed \$200, and renewal fees not to exceed \$150. The term of certificates issued would be for two years.

The probable fiscal implication of implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

<u>Fiscal Year</u>	<u>Probable Administrative Cost to the Real Estate Appraisal Board</u>	<u>Probable Revenue Gain to the Real Estate Appraisal Board</u>	<u>Change in Number of State Employees from FY 1989</u>
1990	\$686,891	\$686,891	+ 11.5
1991	586,667	586,667	+ 12.6
1992	641,268	641,268	+ 13.6
1993	692,237	692,237	+ 14.7
1994	746,445	746,445	+ 15.7

Similar annual fiscal implications would continue as long as the provisions of the bill are in effect.

No fiscal implication to units of local government is anticipated.

Criminal Justice Policy Impact Statement: No change in the sanctions applicable to adults convicted of felony crimes is anticipated.

Source: Real Estate Commission;  
LBB Staff: JO, JWH, AL, FML, NH

H. B. No.

1891

By

Carozas

A BILL TO BE ENTITLED

AN ACT

relating to the creation, powers, and duties of the Real Estate Appraisal Board; providing penalties.

MAR 6 1989

1. Filed with the Chief Clerk.

MAR 16 1989

2. Read first time and Referred to Committee on

State Affairs

MAY 10 1989

3. Reported favorably (as amended) and sent to Printer at (as substituted) 9:45 pm

MAY 16 1989

4. Printed and distributed at 8:44 pm

MAY 15 1989

MAY 17 1989

5. Sent to Committee on Calendars at 9:25 am

6. Read second time (amended); passed to third reading (failed) by (Non-Record Vote) (Record Vote of years, nays, present, not voting).

7. Motion to reconsider and table the vote by which H.B. was ordered engrossed prevailed (failed) by a (Non-Record Vote) (Record Vote of years, nays, and present, not voting).

8. Constitutional Rule requiring bills to be read on three several days suspended (failed to suspend) by a four-fifths vote of years, nays, and present, not voting.

9. Read third time (amended); finally passed (failed) by (Non-Record Vote) (Record Vote of years, nays, present, not voting).

10. Caption ordered amended to conform to body of bill.

11. Motion to reconsider and table the vote by which H. B. was finally passed prevailed (failed) by a (Non-Record Vote) (Record Vote of years, nays, and present, not voting).

12. Ordered Engrossed at

13. Engrossed.

14. Returned to Chief Clerk at

15. Sent to Senate.

Chief Clerk of the House

16. Received from the House

17. Read, referred to Committee on

18. Reported favorably

19. Reported adversely, with favorable Committee Substitute; Committee Substitute read first time.

20. Ordered not printed.

21. Regular order of business suspended by

(a viva voce vote.)

( years, nays.)

\_\_\_\_\_ 22. To permit consideration, reading and passage, Senate and Constitutional Rules suspended by vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays.

\_\_\_\_\_ 23. Read second time \_\_\_\_\_ passed to third reading by:  
(a viva voce vote.)  
( \_\_\_\_\_ yeas, \_\_\_\_\_ nays.)

\_\_\_\_\_ 24. Caption ordered amended to conform to body of bill.

\_\_\_\_\_ 25. Senate and Constitutional 3-Day Rules suspended by vote of \_\_\_\_\_ yeas,  
\_\_\_\_\_ nays to place bill on third reading and final passage.

\_\_\_\_\_ 26. Read third time and passed by  
(a viva voce vote.)  
( \_\_\_\_\_ yeas, \_\_\_\_\_ nays.)

OTHER ACTION:

OTHER ACTION:

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_ 27. Returned to the House.

\_\_\_\_\_ 28. Received from the Senate (with amendments,  
(as substituted.)

\_\_\_\_\_ 29. House (Concurred) (Refused to Concur) in Senate (Amendments) (Substitute) by a (Non-Record  
Vote) (Record Vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays, \_\_\_\_\_ present,  
not voting).

\_\_\_\_\_ 30. Conference Committee Ordered.

\_\_\_\_\_ 31. Conference Committee Report Adopted (Rejected) by a (Non-Record Vote) (Record  
Vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays, and \_\_\_\_\_ present, not voting).

\_\_\_\_\_ 32. Ordered Enrolled at \_\_\_\_\_

HOUSE OF REPRESENTATIVES

NOV 16 PM 8:44